

The complaint

Mr J has complained that Aviva Insurance Limited didn't provide a refund of premium he expected when it removed a driving conviction recorded against his car insurance policy.

What happened

Mr J bought a car insurance policy with Aviva. When he bought the policy he recorded a speeding conviction.

In January 2024 the conviction was rescinded and he contacted Aviva to update his policy. Aviva updated Mr J's policy, but he was expecting a refund. So he contacted Aviva after the change and had to chase it for an answer on whether a premium refund was due.

Mr J raised a complaint, but he didn't receive a response and so he contacted this service.

Mr J told us that in March 2024 Aviva paid him £150 compensation for the distress and inconvenience caused by its delay in updating him. But it said there was no refund due after removing the speeding conviction.

Mr J didn't agree this was correct and asked us to look at his complaint.

One of our Investigators didn't recommend the complaint should be upheld. She was satisfied with the pricing information provided by Aviva that it had correctly changed Mr J's policy, but there was no impact on the premium. She thought the £150 compensation Aviva had paid Mr J for the delay it had caused in updating him was reasonable.

Mr J didn't agree. He said he carried out comparison quotes for Aviva online with and without the speeding conviction and he received two different prices. So he doesn't believe Aviva has correctly recalculated his premium.

So the case has been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Insurers set their pricing in line with their risk appetite – and this can change frequently. Their rates can also change frequently, sometimes daily.

It isn't for this service to tell an insurer what price or rating it applies. But we can ask it to provide its underwriting and pricing information to us to show it has treated a customer fairly. This information is commercially sensitive and so we cannot share it with customers.

I've reviewed the underwriting pricing information Aviva has provided – which shows me the rating it applied when Mr J bought his policy – and when it removed the speeding conviction. As the rates were different at renewal, the price is different. But the 'loading' applied for the speeding conviction didn't change after it was removed. So I'm satisfied that Aviva correctly recalculated Mr J's premium at the time – and that the change to remove the conviction had no impact on the premium.

I appreciate that Mr J has recently carried out quotes with and without the conviction online and this produced two different prices for Aviva. But as I've explained, rates change

sometimes daily – and insurers periodically change their risk appetite which will affect how it prices a policy. So I can't take into account the recent comparison quotes Mr J obtained as evidence Aviva didn't properly recalculate his premium. From the information it has provided to us, I'm satisfied that it did.

Aviva paid Mr J £150 compensation for the distress and inconvenience caused by its delay in updating him about whether a premium refund would be due. I think this is a fair sum to reflect the impact of its delay.

Taking everything into account, I'm not asking Aviva to do any more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 February 2025.

Geraldine Newbold
Ombudsman